

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:4294
ANSWERED ON:23.04.2008
FINANCIAL ASSISTANCE TO FOREIGN COUNTRIES
Rao Shri Kavuru Samba Siva

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether the Government proposes to set up an independent agency to regulate Indian funding and financial assistance to foreign countries for strategic and political goals with adequate financial powers for taking immediate decisions on grants, loans and aid in case of natural disasters and other emergencies; and

(b) if so, the details thereof along with the current policy of the Government?

Answer

THE MINISTER OF EXTERNAL AFFAIRS(SHRI PRANAB MUKHERJEE)

(a) – (b) Finance Minister in his budget speech for FY 2007-08 announced that Government proposes to establish the India International Development Cooperation Agency (IIDCA) to bring all activities relating to India's development cooperation with fellow developing countries under one umbrella. The Ministries of External Affairs, Finance and Commerce and other stakeholders will be represented in IIDCA and Ministry of External Affairs is processing the proposal for implementation. Under current practice, India's overseas development cooperation is implemented through Divisions within Ministry of External Affairs in consultation with the concerned Ministries.